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No. 02-

IN THE SUPREME COURT of the UNITED STATES

ARROW COMMUNICATION LABORATORIES, INC. d/b/a ARCOM, NORTHERN CATV SALES, INC., ANDREW F. TRESNESS, MARY TRESNESS, and GREG TRESNESS

Petitioners,

v.

EAGLE COMTRONICS, INC.

Respondent.

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

PETITION FOR A WRIT OF CERTIORARI

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78 pp

QUESTION PRESENTED

Whether the Court should vacate the judgment below and remand this case to the Court of Appeals for the Federal Circuit for further consideration in light of this Court's recent decision in Festo Corp. v. Shoketsu Kinzoko Kogyo Kabushiki Co., 122 S.Ct. 1831 (2002), since the patentee in this case knew of two configurations at the time it prepared the claims of its patent application, and drafted the claims to cover only one of those configurations, but not the other, and it seeks to rely on the doctrine of equivalents to cover the other known but undisclosed and unclaimed configuration.

RULE 29.6 STATEMENT

Petitioners Arrow Communication Laboratories, Inc., d/b/a Arcom, Northern CATV Sales, Inc., Andrew F. Tresness, Mary Tresness, and Greg Tresness have no parent companies or publicly held companies that own 10% or more of their stock, and no subsidiaries (except wholly owned subsidiaries) or affiliates that have issued shares to the public.

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Petitioners Arrow Communication Laboratories, Inc., d/b/a Arcom, Northern CATV Sales, Inc., Andrew F. Tresness, Mary Tresness, and Greg Tresness respectfully petition for a writ of certiorari to review the judgment of the Court of Appeals for the Federal Circuit in this case.

OPINIONS BELOW

The Federal Circuit's September 17, 2002 judgment and opinion (App. A, 1a) reversing the district court's summary judgment of noninfringement is reported at 305 F.3d 1303 (Fed. Cir. 2002). The Federal Circuit's November 1, 2002 orders denying rehearing (App. B, 25a) and denying rehearing en banc are not reported. (App. C, 27a) The District Court's July 6, 2001 judgment and opinion is not reported. (App. D, 30a)

STATEMENT OF JURISDICTION

Jurisdiction in the district court was based upon 28 U.S.C. §1338(a). Jurisdiction in the Federal Circuit was based upon 28 U.S.C. §1295. This Court has jurisdiction under 28 U.S.C. §1254(1).

CONSTITUTIONAL AND STATUTORY PROVISIONS INVOLVED

Article I, section 8 of the United States Constitution provides:

> Congress shall have the power . . . to promote the Progress of Science and

> useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their Respective Writings and Discoveries.

28 U.S.C. §271(a) provides:

> Except as otherwise provided in this title, whoever without authority makes, uses, offers to sell, or sells any patented invention, within the United States or imports into the United States any patented invention during the term of the patent therefor, infringes the patent.

STATEMENT OF THE CASE

This petition is based on this Court's recent decision in Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co., Ltd., 122 S.Ct. 1831 (2002).

Respondent, Eagle Comtronics Inc., brought this action in the United States District Court for the Northern District of New York, alleging that petitioners infringed respondent's U.S. patent 5,662,494 ("the '494 patent") under the doctrine of equivalents. No literal infringement was asserted. The district court granted summary judgment in favor of petitioners, finding Eagle's claim to be barred by prosecution history estoppel based on arguments made to obtain the '494 patent. (App. C) On appeal, the Federal Circuit reversed, and declined to address this

Court's Festo decision -- which was not decided until after the oral argument on appeal. (App. A)[1]

I.

THE PATENT IN SUIT

An application for the '494 patent was initially filed on November 22, 1993. The patent is directed to an electrical filter that is used to decode or unscramble TV signals. At issue is the structure of a collet assembly that is housed in one end of the filter housing. Two similar versions of the collet assembly are disclosed in the '494 patent, as follows:

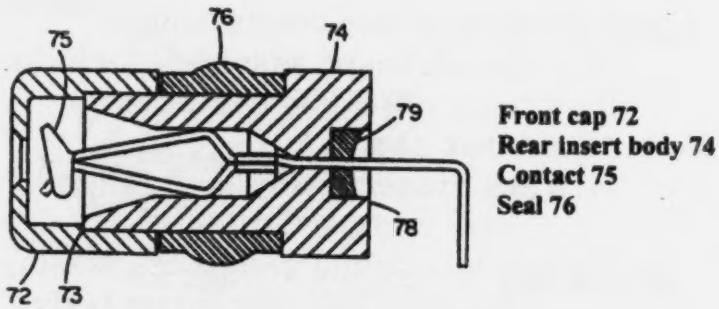

FIG. 7

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[1] Petitioners cited this Court's Festo opinion as supplemental authority in a letter to the Federal Circuit following the oral hearing, and raised it in a petition for rehearing and for rehearing en banc.

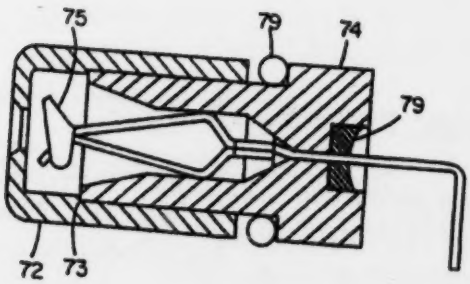


FIG. 8

The '494 patent contains only one independent claim. In relevant part, it calls for

> A filter structure comprising:
> [1] a circuit board assembly including
> [2] a collet assembly comprising
> [3] **a front cap**,
> [4] **a rear insert body** including a rear end portion,
> [5] a collet contact extension passing through the rear insert body, and
> [6] **a seal located between the front cap and the rear insert body;**
> (Emphasis added.)

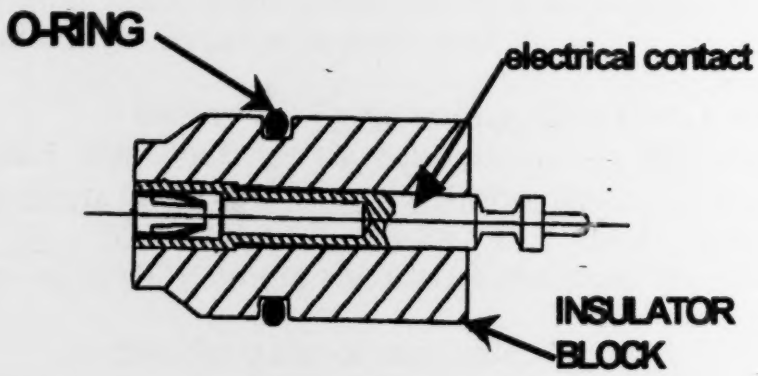
Thus, the claims of the '494 patent all call for a collet assembly having a front cap, a rear insert body, and a seal located between these two elements. The accused Arcom filters, however, include no front cap, no rear insert body and

no seal located between such elements. Therefore, literal infringement could not be asserted, but plaintiff sued on the basis of the doctrine of equivalents.

II.

THE ACCUSED ARCOM FILTERS AND EAGLE'S UNPATENTED FILTER

The accused Arcom filters employ a collet formed of a one-piece insulator block, with an O-ring in an annular groove, which permits the use of a very different kind of electrical contact, as follows:



Of particular significance, respondent claims to have conceived of a collet that uses a one-piece insulator block, with an O-ring in an annular groove, back in 1992, prior to the 1993

filing date of the '494 patent, and it produced from its files the following 1992 sketch:[2]

[Since the sketch has been marked CONFIDENTIAL by respondent, at the direction of the Clerk's Office, a copy of it is enclosed in each of 40 separate sealed envelopes being filed with 40 copies of this petition. For purposes of clarity, handwritten notes have been removed from the sketch, and legends added.]

---

[2] Eagle asserts that one of Arcom's inventors, who formerly worked for Eagle, saw this structure some eight years before participating in Arcom's design, and that he copied this Eagle structure. Arcom disputes this assertion, but that dispute is not part of this or any other suit.

III.

REASONS FOR GRANTING THE WRIT

A.

THERE CAN BE NO INFRINGEMENT UNDER THE DOCTRINE OF EQUIVALENTS SINCE THE ACCUSED STRUCTURE WAS NOT UNFORESEEN AT THE TIME THE '494 CLAIMS WERE PREPARED, BUT WAS KNOWN TO RESPONDENT EAGLE

As explained, the accused Arcom filters use a collet that employs a one-piece insulator block, not a collet made up of a front cap, rear insert body and intermediate seal.

Before its Festo ruling, this Court addressed the doctrine of equivalents in Warner-Jenkinson Company, Inc. v. Hilton Davis Chemical, Co., 520 U.S. 17, 28-29, 117 S.Ct. 1040, 1048-49 (1997), where the Court observed that:

> . . . the doctrine of equivalents, as it has come to be applied since Graver Tank, has taken on a life of its own, unbounded by the patent claims.

Thereafter, in Festo, the Court made clear that the doctrine of equivalents is based on the inadequacy of language, and that it finds application only in relation to structures that, unlike here, were not foreseeable at the time the

patent claims were drafted. In this regard, the Court stated that:

> The doctrine of equivalents is premised on language's inability to capture the essence of innovation, but a prior application describing the precise element at issue undercuts that premise.
>
> * * * *
>
> The patentee, as the author of the claim language, may be expected to draft claims encompassing readily known equivalents.

Festo Corp. v. Shoketsu, 122 S.Ct. at 1839, 1842.

At the time of drafting the claims for the '494 patent, Eagle was fully aware of a one-piece construction, as well as one that uses a front cap, rear insert body and intermediate seal -- but it disclosed and claimed only the latter.

In short, there was no inadequacy of language, and no unforeseeability of the relevant structure. Plaintiff was aware of both configurations, knew the words to encompass them both, or at least to cover each separately, but affirmatively chose to cover only the front cap, rear insert and intermediate seal configuration. According to the clear teachings of Festo, there is no basis to bring into play the doctrine of equivalents.

Yet the Federal Circuit took no cognizance of this Court's Festo decision.

B.

The Ability To Define The Scope Of A Patent Is Of Critical Importance

An ability to determine what is covered and not covered by a patent is critically important to the growth of U.S. industry. The guidelines for determining literal infringement are discernible by rules that are reasonably clear. See, e.g., Markman v. Westview Instruments, Inc., 517 U.S. 370, 116 S.Ct. 1384 (1996). Those guidelines are insufficient, however, if the bounds of the doctrine of equivalents are not ascertainable.

C.

A GVR Order is Appropriate In this Case

In Lawrence v. Chater, 516 U.S. 163, 167, 116 S.Ct. 604, 607 (1996) this Court discussed the broad power of the Court, under 28 U.S.C. §2106, to GVR (that is, grant a petition for certiorari, vacate and remand). The Court observed that:

> Where intervening developments, or recent developments that we have reason to believe the court below did not fully consider, reveal a reasonable probability that the decision below

> rests upon a premise that the lower court would reject if given the opportunity for further consideration, and where it appears that such a redetermination may determine the ultimate outcome of the litigation, a GVR order is, we believe, potentially appropriate.

Here this Court's decision in Festo was such a recent development, which the Federal Circuit did not consider in this case. Also, there is a reasonable probability that the Festo decision should, and will, determine the ultimate outcome of this case.

While the point at issue here was brought to the attention of the Federal Circuit by a letter citing the Festo opinion as supplemental authority, and subsequently by Arcom's petition for rehearing, there is no indication that it was considered by that court. See Lawrence v. Chater, 516 U.S. at 170, 116 S.Ct. at 608 ("we have never held lower court briefing to bar our review and vacatur where the lower court's order shows no sign of having applied the precedents that were briefed").

This case should be remanded for the Federal Circuit to consider this Court's view that where a patentee has two different structures in hand at the time it prepares claims for a patent, and it knowingly discloses and claims only one of those structures, the doctrine of equivalents

cannot be employed to cover the known but undisclosed and unclaimed second structure.[3]

CONCLUSION

For the foregoing reasons, the petition should be granted, the judgment below vacated, and the case remanded to the Court of Appeals for the Federal Circuit for further consideration in light of Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co., Ltd.

Respectfully submitted,

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[3] This Court has granted GVR orders on the basis of Festo in numerous other cases. See, e.g., Creo Prods. Inc. v. Dainippon Screen Mfg. Co., Ltd., 122 S.Ct. 2323 (2002); AccuScan, Inc. v. Xerox Corp., 122 S.Ct. 2323 (2002); Insituform Techs., Inc. v. CAT Contr., Inc., 122 S.Ct. 2322 (2002).

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TRESNESS, MARY TRESNESS, and
GREG TRESNESS

Dated: November ___, 2002

APPENDICES

APPENDIX A – OPINION OF THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT, DATED SEPTEMBER 17, 2002

United States Court of Appeals for the Federal Circuit

01-1544, -1591

EAGLE COMTRONICS, INC.,

Plaintiff-Cross Appellant,

v.

ARROW COMMUNICATION LABORATORIES, INC. (doing business as Arcom), NORTHERN CATV SALES, INC., ANDREW F. TRESNESS, MARY TRESNESS, and GREG TRESNESS,

Defendants-Appellants.

J. Michael Jakes, Finnegan, Henderson, Farabow, Garrett & Dunner, L.L.P., of Washington, DC, argued for plaintiff-cross appellant. With him on the brief was Kathleen A. Daley. Of counsel on the brief were Stephen P. Burr and Kevin C. Brown, Burr & Brown, of Syracuse, New York.

Charles W. Bradley, Orrick, Herrington & Sutcliffe LLP, of New York, New York, argued for defendant-appellants. With him on the brief was Lawrence P. Trapani, Lawrence P. Trapani, P.C., of Syracuse, New York. Of counsel was Patrick J.

Appendix A

Hoeffner, Orrick, Herrington & Sutcliffe LLP, of New York, New York.

Appealed from: United States District Court for the Northern District of New York

Senior Judge Howard G. Munson

Appendix A

United States Court of Appeals for the Federal Circuit

01-1544, -1591

EAGLE COMTRONICS, INC.,

Plaintiff-Cross Appellant,

v.

ARROW COMMUNICATION LABORATORIES, INC. (doing business as Arcom), NORTHERN CATV SALES, INC., ANDREW F. TRESNESS, MARY TRESNESS, and GREG TRESNESS,

Defendants-Appellants.

DECIDED: September 17, 2002

Before RADER, SCHALL and LINN, Circuit Judges.

LINN, Circuit Judge.

Arrow Communication Laboratories and other defendants (collectively, "Arcom") appeal an interlocutory order of the United States District Court for the Northern District of New York, denying its motion for an order to show why plaintiff, Eagle Comtronics, Inc. ("Eagle") and its

counsel should not be held in civil contempt. Eagle Comtronics v. Arrow Communication Labs., No. 00-CV-1694 (N.D.N.Y. June 8, 2001). Eagle cross appeals the district court's grant of summary judgment that Arcom's products do not infringe U.S. Patent No. 5,662,494 ("the '494 patent") under the doctrine of equivalents. Eagle Comtronics v. Arrow Communication Labs., No. 00-CV-1694 (N.D.N.Y. July 6, 2001). Because the district court abused its discretion when it found no violation of the court's protective order, and because neither prosecution history estoppel nor the all-limitations rule bars infringement under the doctrine of equivalents, we reverse-in-part, vacate-in-part, and remand.

I. BACKGROUND

A. The Invention

Eagle owns the '494 patent, which is directed to an improvement related to electrical signal filters that are used to decode or unscramble protected television signals. Specifically, the invention relates to an improved cable filter structure that provides a sealed collet assembly to prevent moisture and/or other contaminants from entering the filter. Figure 9 depicts an embodiment of the improved invention and Figure 10 is prior art.

Appendix A

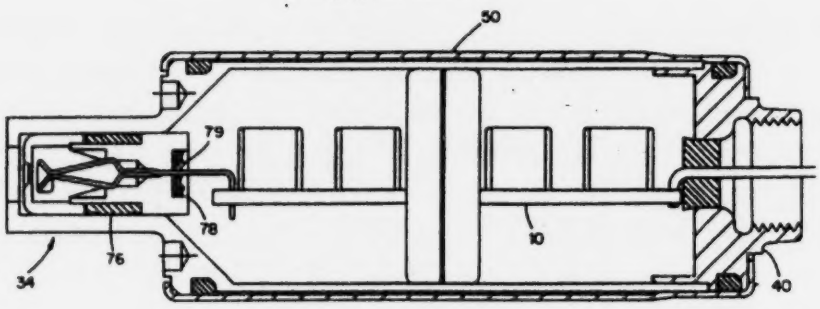


FIG. 9

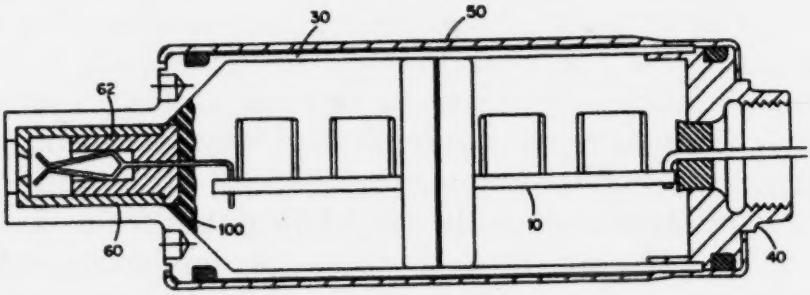


FIG. 10
PRIOR ART

The cable filters of both Figures 9 and 10 use collet assemblies. The collet assembly of prior art Figure 10 is depicted in Figure 6 below.

Appendix A

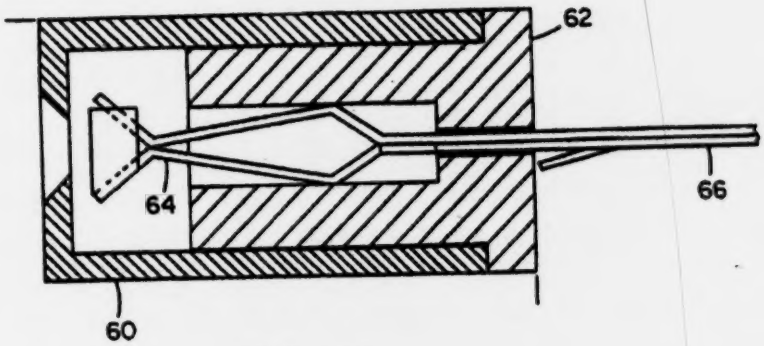


FIG. 6
PRIOR ART

The prior art cable filter of Figures 6 and 10 includes a filter housing 30 that surrounds a circuit board assembly 10. '494 patent, col. 2, II. 52-57. The circuit board 10 contains the electronics that filter signals delivered by cable lines. The housing 30 contains a female connector end for engaging a cable line and passing the signal to a downstream device such as a television. The female connector end includes the collet assembly, which is comprised of a front cap 60 and a rear insert body 62. Id., col. 3, II. 15-18. The collet assembly receives a wire that extends from the cable line through a contact extension 64 to carry the signal from the cable line to the circuit board. The filter is sealed to prevent moisture and/or other contaminants from entering the filter. The seal is accomplished by applying relatively large amounts of sealant to cover over the entire back portion of the collet. Id., col. 4, II. 38-39, 42-44. In the prior art cable

filters, the sealant is blindly placed over the entire rear portion of the rear insert body 62 after the collet assembly is inserted into the filter housing 30. That blind passing of sealant made the sealing process difficult, often resulting in inconsistencies in the quality of the manufactured filters. Id., col. 1, II. 44-48; col. 3, II. 27-31.

The improvement of the '494 patent relates to the seal between the collet assembly and the filter housing. The improved collet assembly uses a self-sealing mechanism and thus avoids the blind placement of sealant and the need for a further sealing operation when the circuit board assembly is inserted within the filter housing. Id., col. 3, II. 54-64. Different types of seals can be used to self-seal the improved collet assembly. For example, a compression seal 76 is used in the collet assembly depicted in Figure 7, and an O-ring seal 79 is used in the collet assembly depicted in Figure 8.

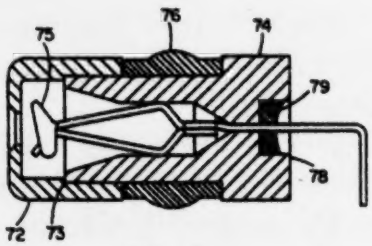


FIG. 7

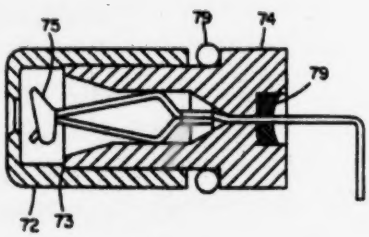


FIG. 8

Claim 1, the only independent claim, recites the following, with disputed claim terms highlighted in bold:

A filter structure comprising:

Appendix A

[1] a circuit board assembly including

[2] **a collet assembly comprising**

[3] **a front cap,**

[4] **a rear insert body including a rear end portion,**

[5] a collet contact extension passing through the rear insert body, and

[6] **a seal located between the front cap and the rear insert body;**

[7] a filter housing including

[8] at least one open end and

[9] a connector coupled to a second end,

[10] wherein the circuit board assembly is placed within the filter housing such that the collet assembly is located within the connector;

[11] wherein the seal of the collet assembly seals an interface between the collet assembly and the connector, and

[12] a region of the housing that surrounds the rear end portion is not covered by sealant material.

Id., col. 4,11. 47-59.

B. The Prosecution History

The application for the '494 patent was originally filed on November 22, 1993, as Serial

No. 155,135. The examiner rejected claim 3 of the original application (the precursor to patent claim 1) as obvious under 35 U.S.C. § 103 over Figure 2 of U.S. Patent No. 4,901,043 to Palinkas in view of the admitted prior art and U.S. Patent No. 4,857,006 to Linyeav et al. The original application was eventually abandoned, and on April 5, 1995, Eagle filed a continuation application, Serial No. 146,637. The continuation application issued as the '494 patent on September 2, 1997.

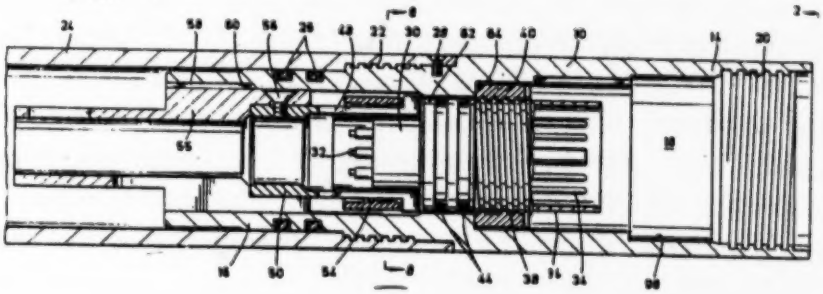
The examiner repeatedly rejected the claims as obvious throughout the prosecution. In office actions dated April 26, 1994; October 28, 1994; April 5, 1996; and September 26, 1996, the examiner repeated the same rejection:

> Linyeav et al. shows exterior seals 26 seated in grooves, and to provide the Figure 6 collet assembly with an external seal seated in a groove thus would have been obvious, to seal the collet assembly relative to the housing . . . . It would have been obvious to use the admitted prior art collet assembly in the filter housing of Palinkas, to provide electrical connection to another electrical device. Palinkas has an outer sleeve. To form end 26 of Palinkas as a separate end cap would have been an obvious matter of design lacking design criticality.

Appendix A

Figure 2 of Palinkas and Figure 1 of Linyeav are reproduced below.

FIG.1



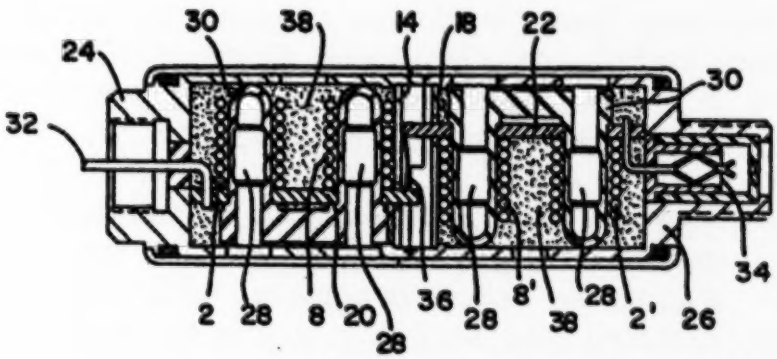


FIG 2

PRIOR ART

Throughout the prosecution, Eagle challenged the examiner's obviousness rejections. Some comments made in Eagle's patentability arguments led to the district court's finding of prosecution history estoppel in this case. For example, in response to the November 4, 1994

rejection for obviousness over the admitted prior art in view of Linyeav, Eagle argued:

> the presently claimed invention is directed to an improved collet assembly, and a filter structure including such a collet assembly. The collet assembly includes a front cap, a rear insert body, a collet contact extension passing through the rear insert body, and a seal located between the front cap and the insert body. By providing the seal between the rear insert body and the front cap (see Figs. 7 and 8, for example), the claimed invention prevents moisture and other contaminants from entering the collet assembly and filter structure by sealing an interface between the collet assembly and the filter housing.

Eagle repeated the same argument in response to the April 11, 1996 Office Action: "[T]he presently claimed invention has been developed to overcome the deficiencies of the prior art by utilizing a seal between the front cap and the rear insert body as recited in the present claims." Following a final rejection, Eagle appealed and made further arguments in support of its theory that the claims were not obvious in light of the prior art. For example, Eagle again argued:

> The presently claimed invention has been developed to improve upon the

> prior art collet assembly and filter structure shown in Figs. 6 and 10, respectively . . . . According to the prior art collet assembly, a rear insert body is press-fitted with a front cap. No seal is provided between the front cap and the rear insert body. To seal the collet assembly inside housing 30, epoxy material 100 is loaded into an interior of the housing after assembly.

The appeal brief continued: "Absent [Eagle's] own disclosure, the art does not suggest the particular position of the O-ring as presently claimed. Replacement of the admitted prior art epoxy with an O-ring does not provide a structure as claimed, wherein the O-ring is provided between the front cap and rear insert body."

Eventually, the examiner allowed the claims with an examiner's amendment that added the below underlined language to what is now claim 1.

> A filter structure comprising:
>
> a circuit board assembly
> including
> a collet assembly
> comprising
> a front cap,
> a rear insert body <u>including a rear end portion</u>,

Appendix A

a collet contact
extension passing through
the rear insert body, and
a seal located between
the front cap and the rear
insert body;

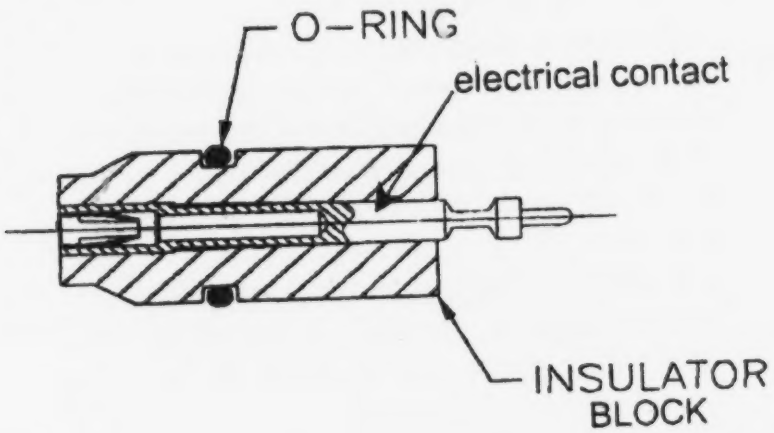
* * *

and a region of the housing
that surrounds the rear end
portion is not covered by
sealant material.

C. The Accused Devices

The two accused devices in this case are Arcom's AHP-50 and MN-2 cable filters. Like the filters described in the '494 patent, both accused devices use a collet assembly to prevent moisture and other contaminates from entering the filter. However, unlike the claimed collet assembly in the '494 patent, the accused filters do not have both a front cap and a rear insert body. Rather, the accused collet assembly is a one-piece insulation block, or as Arcom describes it, an "integrated" insulation block. For purposes of this motion, Arcom stipulates that both the AHP-50 and MN-2 cable filters have the same collet assembly. The collet assembly of the accused filter is reproduced below.

Appendix A



It is undisputed that the accused devices do not literally infringe the claims. The only issue before the district court was whether the accused filters infringe under the doctrine of equivalents.

D. The Procedural History

Eagle filed suit against Arcom on November 7, 2000, alleging that the AHP-50 and MN-2 filters infringe the claims of the '494 patent under the doctrine of equivalents. Arcom eventually moved for summary judgment of non-infringement. Before allowing discovery, a magistrate judge entered a protective order drafted by Eagle and agreed to by the parties. The protective order lists who has access to documents marked "Confidential--Attorneys Only." It provides in relevant part that confidential material "shall not be used for any purpose other than for this action, unless authorized by the Court." The protective order also states that before a party

discloses information marked "Confidential" or "Confidential--Attorneys Only", the party intending to disclose such material shall inform the other party of its intentions in writing.

During discovery, Arcom produced a pending patent application marked "Confidential" or "Confidential--Attorneys Only." That application was directed to a collet assembly having an integrated insulation block ("Arcom application") and listed Arcom employees, Martin Zelinz and Jerry Gould, as the inventors. Eagle claims that its employee, Michael Lamb, was the real inventor of the device in the Arcom application. Gould was Lamb's supervisor at Eagle before he left the company in 1997 to work for Arcom. Eagle claims that once its counsel read the Arcom application, it "had to take immediate action to protect Eagle's interests," specifically to protect itself from a potential on-sale bar due to Arcom's sale of the filter. Thus, without giving prior notification to the court or Arcom, Eagle's counsel, Stephen P. Burr, took the Arcom application, made two photocopies of it, and filed them with the United States Patent and Trademark Office ("PTO") as Eagle's patent applications. One application listed an Eagle employee, Lamb, as the inventor and the other listed Lamb as a joint inventor with Arcom's inventors, Zelinz and Gould. The joint application was filed as a continuation application, claiming priority to the Arcom application. Nine days later, Burr notified Arcom's counsel by letter of what he had done. Enclosed with the letter, Burr included

declaration and assignment forms in the event that Arcom wished to "remedy [its] misconduct" by assigning its patent application to Eagle. Burr concluded his letter by suggesting that following assignment by Arcom of its own application to Eagle, Eagle would then file a preliminary amendment to delete the claims Eagle did not own.

Arcom moved for an Order to Show Cause why plaintiff and its counsel should not be held in civil contempt and sanctioned for violating the protective order. Specifically, Arcom asked the court to order Eagle to do the following:

> (1) to return, within seven days, [Arcom's] patent application file that was produced to [Eagle] as "Confidential-Attorneys Only," and all copies thereof, including the copies that correspond to those filed by [Eagle] in the [PTO], to maintain the subject matter of those applications strictly "Confidential-Attorneys Only," and to report to the Court the names of anyone other than [Eagle's] attorneys of record and their staffs to whom any subject matter in [Arcom's] patent application file had been disclosed;
>
> (2) to expressly abandon the two patent applications filed in the [PTO], on behalf of [Eagle], each including a copy of [Arcom's] confidential patent application, and

serve [Arcom] with a copy of the abandonment papers with proof of filing;

(3) to record in the [PTO], in each of said applications filed on behalf of [Eagle], a memorandum, signed by [Eagle], Mr. Lamb and Mr. Burr, that confirms the express abandonment of the applications and states that the assignments recorded under said applications are null and void ab initio and serve defendants with a copy of the said memorandum with proof of filing;

(4) not to use the confidential application data of [Arcom's] patent application in any subsequent patent application filed by [Eagle], and ordering that no patent application on an electronic filter shall be filed on behalf of [Eagle], by or with the assistance of any attorney or other person who has had access to [Arcom's] confidential documents;

(5) to reimburse [Arcom] for [its] expenses and attorneys fees incurred in connection with making this application for relief.

Eagle noted that it did not show the Arcom application to any Eagle employees (including the purported inventor, Lamb) and argued that it did not violate the protective order because it did not disclose the Arcom application to anyone who had

not already seen it. The district court agreed with Eagle and found that "Burr's conduct was not egregious enough to warrant an order to show cause. Although prudence suggests a safer course of action in the future, Burr's use of Arrow's patent application did not violate Magistrate Sharpe's Protective Order as the PTO already possessed these materials."

Following the denial of Arcom's motion for an order to show cause, Arcom filed a motion for summary judgment that its filters do not infringe the '494 patent under the doctrine of equivalents. Arcom argued that the statements made by Eagle in the prosecution history estopped Eagle from capturing a filter with a one-piece, "integrated" collet assembly. Arcom further argued that application of the doctrine of equivalents would violate the all-limitations rule. The district court agreed with Arcom that Eagle surrendered "any claims concerning the use of one-piece collet assembly bodies" and entered judgment of non-infringement. In light of its disposition, the district court did not reach the issue of whether the application of the doctrine of equivalents would violate the all-limitations rule.

Here, Arcom argues that the district court abused its discretion by denying Arcom's order to show cause for violating the protective order. Specifically, it argues that the district court made a clearly erroneous finding of fact when it concluded that Eagle did not violate the protective order, and it otherwise abused its discretion by not sanctioning Eagle. Eagle argues that its

actions were within the scope of the protective order, and the district court acted within its discretion by not imposing sanctions.

With respect to the merits of the patent dispute in Eagle's cross appeal, Eagle argues that: (1) the district court erred by holding that Eagle surrendered coverage of an "integrated" or one-piece insulation block and (2) the all-limitations rule does not preclude application of the doctrine of equivalents. Arcom argues that the district court properly concluded that prosecution history estoppel bars the application of the doctrine of equivalents here. In the alternative, Arcom urges affirmance based on the all-limitations rule.

Because Arcom's notice of appeal of the interlocutory order was filed after the district court dismissed Eagle's complaint on the merits, this court has jurisdiction over both appeals pursuant to 28 U.S.C. § 1295(a)(1).

II. DISCUSSION

A. Standard Of Review

Because civil contempt proceedings are not unique to patent law, Spindelfabrik Suessen-Schurr Stahlecker & Grill GmbH v. Schubert & Salzer Maschinenfabrik AG, 903 F.2d 1568, 1578, 14 USPQ2d 1913, 1921 (Fed. Cir. 1990), we apply regional circuit law-here the law of the Second Circuit-to that issue. See Midwest Indus., Inc. v. Karavan Trailers, Inc., 175 F.3d 1356, 1359, 50 USPQ2d 1672, 1675 (Fed. Cir. 1999) (en banc in

relevant part). The Second Circuit reviews the denial of a contempt order for an abuse of discretion. See City of New York v. Local 28, Sheet Metal Workers' Int'l Ass'n, 170 F.3d 279, 282-83 (2d Cir. 1999). An abuse of discretion may be established by showing that the district court either made an error of law, or a clear error of judgment, or made findings that were clearly erroneous. See Zervos v. Verizon N.Y., Inc., 252 F.3d 163, 169 (2d Cir. 2001).

We review a district court's grant of summary judgment de novo, reapplying the standard applicable at the district court. Rodime PLC v. Seagate Tech., Inc., 174 F.3d 1294, 1301, 50 USPQ2d 1429, 1434 (Fed. Cir. 1999) (citing Conroy v. Reebok Int'l, Ltd., 14 F.3d 1570, 1575, 29 USPQ2d 1373, 1377 (Fed. Cir. 1994)). Summary judgment is only appropriate when "there is no genuine issue as to any material fact and . . . the moving party is entitled to a judgment as a matter of law." Fed. R. Civ. P. 56(c); EMI Catalogue P'ship v. Hill, Holliday, Connors, Cosmopulos Inc., 228 F.3d 56, 61 (2d Cir. 2000). We draw all reasonable inferences in favor of the non-movant. Anderson v. Liberty Lobby, Inc., 477 U.S. 242, 255 (1986).

B. Contempt

Arcom argues that Eagle and its counsel deliberately and flagrantly violated the express terms of the district court's protective order by knowingly using the Arcom application for a use unrelated to the lawsuit. Arcom contends that by

not finding a violation of the protective order and sanctioning Eagle and its counsel, the district court abused its discretion. In its brief, Eagle argued that the protective order gave complete discretion to the trial judge, and by not finding a violation of the protective order, the use of the Arcom patent application was "authorized by the court" pursuant to the terms of the protective order. Eagle further argued that Burr copied Arcom's application and submitted it to the PTO as an Eagle application to prevent Arcom from using a patent on Eagle's design as evidence of noninfringement under the doctrine of equivalents. Thus, Eagle argued, the action was taken for a purpose related to the action and was therefore within the scope of the protective order.

In the Second Circuit, a party may be held in contempt only if it is proven by "clear and convincing" evidence that the party violated a "clear and unambiguous" order of the court. EEOC v. Local 638, 81 F.3d 1162, 1171 (2d Cir. 1996) (quoting United States v. Local 1804-1, 44 F.3d 1091, 1096 (2d Cir. 1995)). The violation need not be willful, but it must be demonstrated that "the contemnor was not reasonably diligent in attempting to comply." Id. (quoting Local 1804-1, 44 F.3d at 1096). In the present case, we find that the district court abused its discretion when it held that "Burr's conduct was not egregious enough to warrant an order to show cause." The conduct in this case was indeed egregious and amounted to much more than Eagle providing the PTO with material that it already possessed.

Before Eagle's counsel's conduct, the PTO had a pending patent application listing Arcom employees as the named inventors of a cable filter with a single-piece collet assembly. After Eagle copied Arcom's application and re-submitted it as its own, the PTO had a completely different application purporting to give rights to a completely different inventor. That had the potential effect of provoking an interference that would be completely independent of the litigation. Patent applications are preserved in secrecy by both law, 35 U.S.C. § 122, and regulation, 37 C.F.R. § 1.14, for a reason. The integrity of the patent system is maintained in part by inventors' understanding that their patent applications will remain secret until either the patents issue or the applications are otherwise published by the PTO. Breaches of this secrecy undermine the integrity of the patent system. When these breaches occur under a court's watch, sanctions are wholly appropriate. To the extent that the district court did not impose sanctions in this instance, we hold that it abused its discretion.

At oral argument, Eagle's appellate counsel wisely conceded that the protective order had been violated. The protective order in this case is clear and unambiguous on its face. It plainly states that items marked as "Confidential--Attorneys Only" "shall not be used for any purpose other than for this action, unless authorized by the Court." Copying a competitor's patent application obtained through discovery and submitting it as your own-for whatever

reason-is not using the material for purposes of the litigation. Likewise, a ruling from a district court that an action does not violate the protective order does not amount to "authorization from the court" as this protective order contemplates. Eagle's undisputed conduct, plus the language of the unambiguous protective order, amount to the clear and convincing evidence needed to demonstrate that Eagle was in civil contempt of court. Under the circumstances of this case, the district court's failure to find a violation of the protective order was most certainly an abuse of discretion.

While there was a violation of the protective order, that does not end the inquiry. A district court has great discretion when deciding how to enforce violations of its own orders. See Toledo Scale Co. v. Computing Scale Co., 261 U.S. 399, 428 (1923) ("The degree of punishment for contempt . . . is in the discretion of the court whose dignity has been offended and whose process has been obstructed." (citing New Orleans v. Steamship Co., 87 U.S. (20 Wall.) 385, 387 (1874))). Arcom asked the district court to impose the sanctions listed above, which included a request that Eagle return the Arcom application. After judgment was entered in this case for Arcom, the Arcom application issued as U.S. Patent No. 6,323,743 131. Thus, its file history is now a public record, and the specific sanctions requested no longer bear a logical relationship to the violation of the protective order. On remand, the district court can exercise its discretion and

fashion an appropriate sanction, including a fine if deemed appropriate, for Eagle's violation of the protective order.

C. Infringement Under the Doctrine of Equivalents

Infringement under the doctrine of equivalents requires that the accused product contain each limitation of the claim or its equivalent. See Warner-Jenkinson Co. v. Hilton Davis Chem. Co., 520 U.S. 17, 40 (1997) (noting that because each limitation contained in a patent claim is material to defining the scope of the patented invention, a doctrine of equivalents analysis must be applied to individual claim limitations, not to the invention as a whole). An element in the accused product is equivalent to a claim limitation if the differences between the two are "insubstantial" to one of ordinary skill in the art. See id. Relevant to the insubstantial differences inquiry is whether the missing element in the accused device "performs substantially the same function in substantially the same way to obtain the same result" as the claim limitation. Graver Tank & Mfg. Co. v. Linde Air Prods. Co., 339 U.S. 605, 608 (1950); see also Warner-Jenkinson, 520 U.S. at 39-40.

However, there are limits to the application of the doctrine of equivalents aside from the question of insubstantiality of the differences. Two of those limits are at issue in this case. First, prosecution history estoppel can prevent a patentee from relying on the doctrine of

equivalents when the patentee relinquishes subject matter during the prosecution of the patent, either by amendment or argument. See Pharmacia & Upjohn Co. v. Milan Pharm., Inc., 170 F.3d 1373, 1376-77, 50 USPQ2d 1033, 1036 (Fed. Cir. 1999). Second, the question of insubstantiality of the differences is inapplicable if a claim limitation is totally missing from the accused device. See Warner-Jenkinson, 520 U.S. at 33-34; Pennwalt Corp. v. Durand-Wayland, Inc., 833 F.2d 931, 934-35, 939, 4 USPQ2d 1737, 1739-40 (Fed. Cir. 1987) (en banc). This limit is often referred to as the all-limitations rule. See, e.g., Kustom Signals Inc. v. Applied Concepts, Inc., 264 F.3d 1326, 1333 (Fed. Cir. 2001) ("No claimed [limitation], or an equivalent thereof, can be absent if the doctrine of equivalents is invoked."). We address each in turn.

1. Prosecution History Estoppel

Eagle argues that the district court erred in holding that Eagle was estopped from asserting infringement under the doctrine of equivalents based on statements made in the prosecution history. Eagle contends that when considering the prosecution history as a whole, nothing establishes that Eagle surrendered coverage of a collet assembly having a one-piece insulation block as found in the accused Arcom filters. Arcom counters that Eagle surrendered coverage when it repeatedly distinguished the Eagle invention from the Linyeav reference. Arcom points to portions of the prosecution history where Eagle distinguishes the prior art by (1)

noting that the claimed invention calls for a front cap, a rear insert body, and a seal located between the front cap and rear insert body; (2) touting the advantages of the claimed construction; (3) arguing that the prior art does not show the particular position of the O-ring; and (4) arguing that replacement of the epoxy seal of the prior art by an O-ring is not what is being claimed, unless the O-ring is provided between a front cap and a rear insert body.

The doctrine of prosecution history estoppel bars a patentee from asserting as an equivalent subject matter surrendered during prosecution of the patent application. See generally Allen Eng'g Corp. v. Bartell Indus., 299 F.3d 1336, 1349-50, 63 USPQ2d 1769, 1776-77 (Fed. Cir. 2002). While at least one claim limitation at issue here was amended by the examiner during the prosecution of the patent, Arcom does not allege amendment-based estoppel here. Instead it argues that Eagle is estopped under argument-based estoppel. See Elkay Mfg. Co. v. Ebco Mfg. Co., 192 F.3d 973, 979, 52 USPQ2d 1109, 1113 (Fed. Cir. 1999) (holding that the scope of coverage of the claims may change if a patentee has "relinquished [a] potential claim construction in an amendment to the claim or in an argument to overcome or distinguish a reference"); Southwall Techs. Inc. v. Cardinal IG Co., 54 F.3d 1570, 1583, 34 USPQ2d 1673, 1682 (Fed. Cir. 1996) ("Clear assertions made during prosecution in support of patentability, whether or not actually required to secure allowance of the claim, may also create an

estoppel."). Any argument-based estoppel affecting a limitation in one claim extends to all claims in which that limitation appears. Id. at 1684, 34 USPQ2d at 1683 ("Once an argument is made regarding a claim term so as to create an estoppel, the estoppel will apply to that term in other claims."). To invoke argument-based estoppel, the prosecution history must evince a "clear and unmistakable surrender of subject matter." Pharmacia & Upjohn, 170 F.3d at 1377, 50 USPQ2d at 1036.

After reviewing the entire prosecution history here, we do not find the required clear and unmistakable surrender of subject matter to invoke prosecution history estoppel. While Eagle repeatedly distinguished the prior art by noting that the claimed seal was located between the front cap and the rear insert body, its arguments were not based on the fact that the claimed collet assembly was made of two pieces or were separable. Rather, those arguments were based on the prior art not teaching or suggesting the use of a seal at the interface between the collet assembly and the filter housing. The '494 patent acknowledges that the prior filter and collet assemblies applied sealant to the rear portion of the collet assembly. The improvement of the '494 patent provides a collet that self-seals at the interface between the collet assembly and the filter housing, as opposed to the rear of the collet assembly. Eagle's repeated references to the location of its seal were attempts to distinguish the claimed seal location from the location found

in the prior art. Eagle's use of the specific claim language to define further the location of the claimed sealant does not amount to a surrender of seals located elsewhere along the interface between the collet assembly and the filter housing. Thus, the district court erred by holding that prosecution history estoppel barred Eagle from asserting infringement under the doctrine of equivalents.

2. All-limitations Rule

Because the district court found no infringement under the doctrine of equivalents based on prosecution history estoppel, it did not address Arcom's alternative noninfringement arguments based on the all-limitations rule. Likewise, the district court did not construe the claim terms that Arcom argued would be vitiated in the absence of the all-limitations rule. This court nevertheless has jurisdiction to consider this alternative argument because the record on this issue was fully developed and argued for purposes of summary judgment before the district court. See Banner v. United States, 238 F.3d 1348, 1355 (Fed. Cir. 2001).

The claims at issue in this case require that the collet assembly comprise a front cap, a rear insert body, and a seal located between the front cap and rear insert body. The accused devices in this case do not have separate elements corresponding to the front cap and rear insert body limitations. Accordingly, Eagle does not allege literal infringement. Eagle argues that a

finding of infringement under the doctrine of equivalents would not vitiate a claim limitation because one-to-one correspondence of components is not required, and Arcom's one-piece collet assembly is otherwise equivalent to a collet assembly with a front cap and a rear insert body. Arcom argues that the all-limitations rule requires that the accused device contain (1) an equivalent for the claimed front cap, (2) an equivalent for the claimed rear insert body, and (3) an equivalent for the claimed seal located between the front cap and the rear insert body. The issue here is whether Arcom's one-piece collet assembly with a seal located along its periphery can be insubstantially different from a collet assembly comprised of a front cap, a rear insert body, and a seal located between the two, without violating the all-limitations rule. Based on the record before us, we hold that the all-limitations rule does not prevent a finding of infringement under the doctrine of equivalents.

While a claim limitation cannot be totally missing from an accused device, whether or not a limitation is deemed to be vitiated must take into account that when two elements of the accused device perform a single function of the patented invention, or when separate claim limitations are combined into a single element of the accused device, a claim limitation is not necessarily vitiated, and the doctrine of equivalents may still apply if the differences are insubstantial. DeMarini Sports, Inc. v. Worth, Inc., 239 F.3d 1314, 1332, 57 USPQ2d 1889, 1900 (Fed. Cir.

2001) (citing Dolly, Inc. v. Spalding & Evenflo Companies, Inc., 16 F.3d 394, 398, 29 USPQ2d 1767, 1769-70 (Fed. Cir. 1994)). Thus, Eagle is correct that "one-to-one correspondence of components is not required," and the all-limitations rule does not preclude a finding of equivalents here. Ethicon Endo-Surgery, Inc. v. United States Surgical Corp., 149 F.3d 1309, 1320, 47 USPQ2d 1272, 1280 (Fed. Cir. 1998). Whether, as Eagle argues, Arcom's one-piece collet assembly is insubstantially different from the claimed collet assembly is a question of fact, the resolution of which requires a traditional infringement analysis. L.A. Gear, Inc. v. Thom McAn Shoe Co., 988 F.2d 1117, 1124, 25 USPQ2d 1913, 1918 (Fed. Cir. 1993). Here, the district court did not conduct the first step of that analysis -construing the disputed claim language. Markman v. Westview Instruments. Inc., 52 F.3d 967, 976, 34 USPQ2d 1321, 1326 (Fed. Cir. 1995) (en banc , affd, 517 U.S. 370, 38 USPQ2d 1461 (1996). We, therefore, cannot affirm the grant of summary judgment of noninfringement under the doctrine of equivalents under any alternative theory urged by Arcom.

III. CONCLUSION

For the foregoing reasons, we reverse the district court's finding that Eagle and its counsel did not violate the protective order in this case and remand the case for the district court to impose an appropriate sanction. Furthermore, we vacate the grant of summary judgment of

noninfringement and remand the case for resolution of disputed factual issues.

REVERSED-IN-PART VACATED-IN-PART, AND REMANDED

COSTS

No costs.

APPENDIX B – ORDER OF THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT GRANTING REHEARING TO SUBSTITUTE A CITED CASE BUT OTHERWISE DENYING REHEARING, FILED NOVEMBER 1, 2002

United States Court of Appeals for the Federal Circuit

01-1544, -1591

EAGLE COMTRONICS, INC.,

Plaintiff-Cross Appellant,

v.

ARROW COMMUNICATION LABORATORIES, INC. (doing business as Arcom), NORTHERN CATV SALES, INC., ANDREW F. TRESNESS, MARY TRESNESS, and GREG TRESNESS,

Defendants-Appellants.

Before RADER, SCHALL and LINN, Circuit Judges.

ORDER

A combined petition for rehearing and petition for rehearing in banc having been filed by Arrow Communication Laboratories, Inc. (doing business as Arcom), Northern CATV Sales, Inc., Andrew F. Tresness, Mary Tresness, and Greg

Tresness, and the petition for rehearing having been referred to the merits panel that heard the appeal,

Upon consideration thereof,

IT IS HEREBY ORDERED THAT:

(1) The petition for rehearing is GRANTED-IN-PART for the limited purpose of amending the last paragraph of section II of the opinion to delete the citation to "L.A. Gear. Inc. v. Thom McAn Shoe Co., 988 F.2d 1117, 1124, 25 USPQ2d 1913, 1918 (Fed. Cir. 1993)" and to

(2) substitute therefor:--DeMarini Sports, 239 F.3d at 1330-32, 57 USPQ2d at 1899-1900.--.

(3) The petition is in all other respects DENIED.

FOR THE COURT

November 1, 2002 Richard Linn

Date

Richard Linn
Circuit Judge

APPENDIX C – ORDER OF THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT DENYING PETITION FOR REHEARING EN BANC, FILED NOVEMBER 1, 2002

United States Court of Appeals for the Federal Circuit

01-1544, -1591

EAGLE COMTRONICS, INC.,

Plaintiff-Cross Appellant,

v.

ARROW COMMUNICATION LABORATORIES, INC. (doing business as Arcom),

NORTHERN CATV SALES, INC.,

ANDREW F. TRESNESS, MARY TRESNESS, and GREG TRESNESS,

Defendants-Appellants.

J. Michael Jakes, Finnegan, Henderson, Farabow, Garrett & Dunner, L.L.P., of Washington, DC, for plaintiff-cross appellant. Of counsel was Kathleen A. Daley. Also of counsel were Stephen P. Burr and Kevin C. Brown, Burr & Brown, of Syracuse, New York.

Charles W. Bradley, Orrick, Herrington & Sutcliffe LLP, of New York, New York, filed a combined petition for rehearing and rehearing en banc for defendants-appellants. With him on the petition was Lawrence P. Trapani, Lawrence P. Trapani, P.C., of Syracuse, New York.

Appendix C

Appealed from: United States District Court for the Northern District of New York

Senior Judge Howard G. Munson

Appendix C

United States Court of Appeals for the Federal Circuit

01-1544, -1591

EAGLE COMTRONICS, INC.,

Plaintiff-Cross Appellant,

v.

ARROW COMMUNICATION LABORATORIES, INC. (doing business as Arcom), NORTHERN CATV SALES, INC., ANDREW F. TRESNESS, MARY TRESNESS, and GREG TRESNESS,

Defendants-Appellants.

Before MAYER, Chief Judge, NEWMAN, MICHEL, LOURIE, CLEVENGER, RADER, SCHALL, BRYSON, GAJARSA, LINN, DYK, and PROST, Circuit Judges.

ORDER

A combined petition for rehearing and for rehearing en banc was filed by Arrow Communication Laboratories, Inc. (doing business as Arcom), Northern CATV Sales, Inc., Andrew F. Tresness, Mary Tresness, and Greg Tresness (collectively "Arrow"). The petition was referred to the merits panel that heard the appeal, which panel granted-in-part the petition for rehearing for

the limited purpose of correcting a citation[1]. The petition was then referred, along with the panel's order, to the circuit judges who are in regular active service.

Upon consideration thereof,

IT IS ORDERED THAT:

(1) The petition for rehearing is granted-in-part by the merits panel for the limited purpose of correcting a citation.

(2) The petition for rehearing en banc is denied.

The mandate of the court will issue on November 8, 2002.

FOR THE COURT

November 1, 2002 Jan Horbaly

Date

Jan Horbaly
Clerk

cc: J. Michael Jakes, Esq.
Lawrence P. Trapani, Esq.

[1] The order from the merits panel issues simultaneously with this order.

APPENDIX D – JUDGMENT AND MEMORANDUM-DECISION AND ORDER OF THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF NEW YORK, FILED JULY 6, 2001

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF NEW YORK

EAGLE COMTRONICS, INC.,
Plaintiff,

v.

ARROW COMMUNICATION LABORATORIES, INC., d/b/a ARCOM,
NORTHERN CATV SALES, INC., ANDREW F. TRESNESS, MARY TRESNESS, and GREGORY TRESNESS,

Defendants.

JUDGMENT IN A CIVIL ACTION

2000-CV-1694

___ **JURY VERDICT.** This action cam before the Court for a trial by jury. The issues have been tried and the jury has rendered its verdict.

__X__ **DECISION BY COURT.** This action came to trial or hearing before the Court. The issues have been tried or heard and a decision has been rendered.

Pursuant to the Memorandum-Decision and Order of the Hon. Howard G. Munson, Senior United States District Judge, filed July 6, 2001, Final Judgment is hereby entered as follows:

Appendix D

IT IS ORDERED AND ADJUDGED: That judgment is entered in favour of the defendants and against plaintiff and that the complaint in this action is dismissed in its entirety.

Date July 6, 2001 **LAWRENCE K. BAERMAN**
Clerk

s/ Phillip T. McBrearty
Phillip T. McBrearty
by Deputy Clerk

Appendix D

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF NEW YORK

EAGLE COMTRONICS, INC.,

Plaintiff,

v.

ARROW COMMUNICATION LABORATORIES, INC., d/b/a ARCOM,
NORTHERN CATV SALES, INC.,
ANDREW F. TRESNESS, MARY TRESNESS,
and GREG TRESNESS,

Defendants.

Civil No. 00-CV-1694 (HGMIGLS)

APPEARANCES: **OF COUNSEL:**

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Appendix D

2nd Floor, Monroe Building
Syracuse, NY 13202

HOWARD G. MUNSON
Senior United States District Judge

Appendix D

MEMORANDUM-DECISION AND ORDER

INTRODUCTION

Currently before the court is defendants' motion for summary judgment filed pursuant to Rule 56 of the Federal Rules of Civil Procedure. They also seek an award for reasonable attorneys' fees and costs. After reviewing the parties' respective positions and for the reasons that follow, defendants' motion for summary judgment is GRANTED and the complaint is hereby DISMISSED. Furthermore, defendants' motion for attorney's fees and costs is DENIED.

FACTS

Plaintiff is owner and manufacturer of United States Patent 5,662,494 ("'494 patent"), entitled "Filter Structure with Self-Sealing Collet Assembly." The "Filter Structure" described in the '494 patent is manufactured for use in the cable television industry. The industry uses this type of filter to decode protected television signals and deliver low noise signals to Internet cable systems, Generally, a filter consists of a circuit board assembly, which provides the actual filtering function, and male and female connection ends. A cable is physically attached to the filter and incoming cable signals are received at the "female" connector end. This female connector contains a "collet assembly," which actually receives the copper wire that extends from the front of the cable. The collet assembly is contained within the metal housing of the cable

filter. It is the collet assembly that conducts the signal from the cable to the circuit board within the filter.

In the instant case, the alleged patent violation involves the self-sealing interface between the collet assembly and the filter housing. According to plaintiff, traditional techniques for sealing this interface involve: (1) using an epoxy to cover the rear of the collet assembly, or (2) soldering a glass-to-metal seal between the collet assembly and the interior of the filter housing. Because these sealing processes must be performed in *situ*, there are substantial production costs associated with these techniques. Moreover, the seals formed with these methods are permanent and so reuse of the internal filter parts is nearly impossible.

The '494 patent eliminates the need for in situ installation of an environmental seal using conventional techniques, Plaintiff designed a self sealing collet assembly having a preformed elastomer seat that creates an environmental seal as the collet assembly is inserted into the filter housing during manufacturing. As the outer diameter of the elastomer seal slightly exceeds the inner diameter of the bore in the connector of the filter housing, a tight compression seal is formed as the elastomer seal is inserted into the connector bore. Plaintiff contends that this type of assembly obviates the need for in situ sealing and lowers manufacturing costs.

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The lead defendant, Arrow Communication Laboratories, Inc., ("Arcom"), is one of plaintiffs chief competitors in the cable filter business.[1] Arcom produces two cable filter models, the AHP-50 and the MN-2 filters, that allegedly infringe upon the '494 patent. According to plaintiff, defendants willfully infringed upon the '494 patent by: (1) manufacturing, selling or offering filters for sale that use collet assemblies containing an internal O-ring seal, and (2) knowingly inducing others to infringe upon the '494 patent by making, using and supplying the accused filters in the United States. With this lawsuit, plaintiff seeks to permanently enjoin defendants from infringing upon its patent pursuant to 35 U.S.C. § 283. It also seeks treble monetary damages to compensate Eagle for defendants' willful infringement of the '494 patent.

In response to this litigation, Arcom claims that the AHP-50 and MN-2 filters do not infringe upon the '494 patent.[2] Heartened by this belief, Arcom moves for summary judgment and asks the court to declare that the accused filters do not violate plaintiffs patent. To support its motion, Arcom contends that its filters do not infringe

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[1] Arrow Communication Laboratory, Inc., does business as Arcorn.

[2] Hereinafter, the court shall refer to the Arcom and the individual defendants collectively, as either "Arcom" or the "defendants"

under the doctrine of equivalents. Specifically, it argues that infringement under the doctrine would require vitiating the limitations associated with Eagle's patent claims. Moreover, it maintains that prosecution history estoppel prevents application of the doctrine of equivalents.

Plaintiff, of course, disagrees with Arcom claiming that the application of the doctrine of equivalents raises genuine issues of material fact that preclude summary judgment. It also contends that there is nothing in the prosecution history that prevents application of the doctrine of equivalents. The court will address the parties' respective positions as is necessary.

DISCUSSION

A. The Legal Standard

Summary judgment shall be granted "if the pleadings, depositions, answers to interrogatories, and admissions on file, together with the affidavits . . . show that there is no genuine issue as to any material fact and that the moving party is entitled to a judgment as a matter of law." Anderson v. Liberty Lobby, Inc., 477 U.S. 242, 247, 106 S.Ct. 2505, 2510, 91 L.Ed.2d 202 (1986); accord F.D.I.C. v. Qiommettei, 34 F.3d 51, 54 (2d Cir. 1994). The moving party has the burden of demonstrating that there is no genuine issue of material fact. See Celotex Coro. v_ Ctrett, 477 U.S. 317, 323, 106 S.Ct. 2548, 2553, 91 L.Ed.2d 265 (1986). Once this burden is met, it shifts to the opposing party who, through

affidavits or otherwise, must show that there is a material factual issue for trial. See Fed. R. Civ. P. 56(e); see also Smythe v. American Red Cross Blood Services Northeastern New York Region, 797 F.Supp. 147, 151 (N.D.N.Y. 1992). Any ambiguities and inferences drawn from the facts must be viewed in the light most favorable to the non-moving party. See Thompson v. Gjivoie, 896 F.2d 716. 720 (2d Cir. 1990).

B. Literal Infringement

A determination of infringement requires a two-step analysis. "First, the claim must be properly construed to determine its scope and meaning. Second, the claim as properly construed must be compared to the accused device or process." Carroll Touch, Inc. v. Electro Mechanical Sys., Ink., 15 F.3d 1573, 1576, (Fed. Cir. 1993). The first step of the infringement analysis is a question of law, while the second step is a question of fact. See Ethicon Endo-Surgery, Inc. v. United States Surgical *GOrp.*, 149 F.3d 1309, 1315 (Fed. Cir. 1998). Nonetheless, summary judgment is appropriate where no reasonable fact finder could find infringement. See Warner-Jenkinson Co. v. Hilton Davis Chem. Co., 520 U.S. 17, 38 n.8. 117 S,Ct. 1040, 1053 n. 8. 137 L.Ed.2d 146 (1997).

In this case, the parties agree that Arcom's filters do not literally infringe upon the '494

patent. Therefore, the court will address plaintiffs claims pursuant to the doctrine of equivalents.[3]

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[3] The parties disagree over the proper construction of plaintiffs claims. Specifically, the structure of the collet assembly described in Eagle's patent includes three parts: (1) a front cap, (2) a rear insert body, and (3) a seal. The litigants argue over the proper definition of these components. Defendants contend that the '494 patent requires use of a rear body of some shape that is inserted into a front cap. Since Arcom's filters do not have either a rear insert body or front cap, defendants insist that their filters do not infringe upon the '494 patent when the patent claims are properly construed. Eagle disagrees claiming that the '494 patent does not assign any special definition to either the rear body or front cap and insists that the terms must be given their customary definitions. In regard to the rear insert body, plaintiff claims that the customary definition is consistent with the function of the component, the description found in the '494 patent and the prosecution history. Essentially, Eagle argues that the '494 patent claims are not limited to a filter structure that includes a rear insert body which is Inserted into a front cap. Fortunately, it is unnecessary for the court to specifically resolve this dispute since plaintiff surrendered the claims at issue herein during its prosecution of the '494 patent.

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C. The Doctrine of Equivalents

Products that do not literally infringe may still infringe under the doctrine of equivalents. A product may infringe under the doctrine of equivalents if every element in the claim is equivalently present in the accused product. See age Prods., Inc. v. Devon Indus., Inc., 126 F.3d 1420, 1423 (Fed. Cir.1997). Equivalency is typically a question of fact. However, summary judgment can still be appropriate where the finder of fact could reasonably draw only one conclusion. See Warner-Jenkinson CO., Inc., 520 U.S. at 39 n. 8, 117 S.Ct. at 1053 n. 8. The doctrine of equivalents prevents an accused infringer from avoiding liability for infringement by changing only minor or insubstantial details of a claimed invention while retaining the invention's essential identity. *See* Festo Corp. v. Shoketsg Kinzo Kogvo Kabushiki Go.. Ltd., 234 F.3d 558, 564 (Fed. Cir. 2000), The doctrine is utilized "to temper unsparing logic and prevent an infringer from stealing the benefit of the invention." Id. (citations and internal quotation marks omitted).

"[T]he application of the doctrine of equivalents rests on the substantiality of the differences between the claimed and accused products or processes, assessed according to an objective standard." Hilton Davis Chem. Co. v. Warner-Jenkinson, 62 F.3d 1512, 1518 (Fed. Cir. 1995) (in banc), *rev'd on other grounds 520 U.S. 17, 117* S.Ct. 1040. Thus, equivalency will be found where there are mere "insubstantial differences" between a certain element or

elements of a claim and corresponding aspects of the accused product. A plaintiff invoking the doctrine of equivalents must do more than prove that the patented product and the accused product bear an overall equivalence to one another. Rather, a plaintiff must prove equivalence on a limitation-by-limitation basis. See Texas Instruments Inc. v. Cypress Semiconductor Corp., 90 F.3d 1558, 1566 (Fed. Cir. 1996). Plaintiffs must also prove equivalency "with particularized testimony and linking argument," Id.

The usual test of equivalence is whether the element in the accused composition performs substantially the same function in substantially the same way to obtain substantially the same result as the claimed element. See Grave Tank & Mfg. Co.. Inc. v. Linde-Air Prods. Co., 339 U.S. 605, 608, 70 S.Ct. 854, 856, 94 L.Ed. 1097 (1950). However, this so-called "function-way-result" test is "not the sole test for equivalency." Texas Instruments, 90 F.3d at 1566 (citations and internal quotation marks omitted). Rather, courts often allow juries to consider "other 'objective evidence' " in order to determine "whether the differences between the accused product or process and the claimed invention are insubstantial." Id. "Such [objective] evidence may include evidence of known interchangeability to one of ordinary skill in the art, copying, and designing around. Thus, ... the doctrine of equivalents [is] 'not the prisoner of a formula' and 'the available relevant evidence may vary from

case to case.'" *Id. (quoting* Hilton Davis Chem. Co., 62 F.3d at 1518).

In this case, plaintiff contends that the structure of the collet assemblies found in Arcom's AHP-50 and MN-2 filters is equivalent to that protected by the '494 patent. Although Arcom uses a solid assembly with an O-ring seal in these filters, Eagle believes that this assembly is equivalent to the front cap, seal and rear insert body described in the '494 patent. In response, Arcom suggests that the prosecution history of the '494 patent prevents application of the doctrine of equivalents, For this reason. the court must address what is known as prosecution history estoppel before it can reach the question of equivalence,

C. Prosecution History Estoppel

Under the doctrine of prosecution history estoppel, a patent owner can be estoppel from relying upon the doctrine of equivalents when the patent applicant relinquishes coverage of subject matter during the prosecution of the patent, either by amendment or argument. See Pharmacia & Upjohn Co. v. Mylan *Pharms.*, Inc., 170 F,3d 1373, 1376-77 (Fed. Cir. 1999). For prosecution estoppel to apply, a plaintiff's "assertions in favor of patentability must'evince a clear and unmistakable surrender of subject matter' but 'not an equivocal one.'" Id. (quoting Litton Sys., Inc. v. Honeywell. Inc., 140 F,3d 1449, 1458 (Fed. Cir.1998) and thletic Alternatives, Inc. v. Prince Mfg., Inc., 73 F.3d 1573, 1582 (Fed. Cir.1996)),

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In the large majority of cases, prosecution history estoppel applies where the applicant canceled, amended, or added language to an application after learning that the Patent Office Examiner had rejected the application on the basis of prior *art.* Therefore, estoppel typically arises where an applicant has amended an application in order to avoid prior aft and secure protection for the claimed invention. *See* Warner-Jenkinson Co.. Inc., 520 U.S. at 30-31 & n. 5, 1 1 7 S_Ct. at 1049-1050 & n. 5. However, the Federal Circuit recently held that estoppel can arise whenever a claim is narrowed by amendment, regardless of the reason for making the amendments. See generally Festo Qom., 234 F.3d at 558.

In this case, the only amendments to plaintiffs application for the '494 patent were made by the Patent Examiner who added two phrases to claim 3 of the patent application, Specifically, the Examiner included the phrases "including a rear end portion" and "and a region of the housing that surrounds the rear end portion is not covered by sealant material." See Burr Aff. Ex C at C-0125; Dkt. No. 5. In the instant motion, Arcom does not contend that Eagle amendedits patent application in response to the Patent Examiner's denial of their applications.[4] Instead, it claims that Eagle distinguished its collet assembly from the prior

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[4] Eagle made several attempts to patent their collet assembly.

art by describing the structure with a seal specifically positioned between a front cap and rear assembly.[5] Therefore, Arcom contends that the prosecution history clearly shows that Eagle's claims are limited to this type of structure. It also maintains that Eagle surrendered any claims conceming a collet assembly using an O-ring that is not positioned between a front cap and rear insert body.

In response, plaintiff argues that prosecution history estoppel does not prevent a jury from determining that Arcom's filters infringe upon patent '494, First and foremost, plaintiff states that it does not rely upon the doctrine of equivalents with respect to the seal element of the '494 patent.[6] Moreover, it insists that the

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[5] The parties disagree about whether the MN-2 filter uses a seat in its collet assembly. It is impossible for the court to resolve this dispute as it is a question of fact for a jury's consideration. However, even if the MN-2 filter does use a seal a plaintiff claims, it is clear that prosecution history estoppel prevents Eagle's claims under the doctrine of equivalents. Therefore, the litigant's dispute concerning the MN-2 filter is moot.

[6] Eagle claims that Arcom's filters use a seal that is literally placed between a front cap and rear Insert body as described in the '494 patent. Therefore, it Implies that the use of an O-ring in the accused filters literally infringes upon the '494 patent, because Arcom's one piece collet body Is the equivalent of the front cap and rear

prosecution history of the '494 patent does not preclude a finding that Arcom's one-piece collet assembly, without the O-ring, is the functional equivalent of its two-piece front cap and rear insert body assembly, without a seal. It is also adamant that the Eagle never surrendered claim coverage for one-piece collet assemblies like those manufactured by Arcom.

Finally, plaintiff notes that Arcom relies upon Festo Corp, supra, to support its prosecution history estoppel defense, According to plaintiff, however, Festo, is inapplicable to the instant case, because the defense is limited to situations where the patent applicant narrows its claims with amendments during the prosecution of a patent. Since Eagle did not narrow its claims during the patent prosecution process, plaintiff insists that prosecution history estoppel does not preclude its equivalency claims.

Despite the intensity of plaintiffs convictions, the court finds that the prosecution history of the '494 patent prevents plaintiff from asserting a claim under the doctrine of equivalents. Specifically, Eagle voluntarily surrendered claims concerning certain types of collet assemblies with arguments it made during prosecution of the '494 patent, See sto, 234 F.3d

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body claimed in the '494 patent. For the reasons articulated below, it Is clear that Eagle surrendered any claims concerning the use of one-piece collet assembly bodies.

at 568 (indicating that arguments made during prosecution may give rise to prosecution history estoppel if they evidence surrender of subject matter).

Although plaintiff did not narrow its claims by amendment in response to the rejection of its claims by the patent office, it is clear that Eagle distinguished its coliet assembly from the prior art in its prosecution argument. Specifically, the Patent Examiner rejected plaintiffs patent application several times due to its similarity with the prior art. To support these rejections, the Examiner referred to a patent, the Linyeav patent, which used O-rings seated in grooves to seal an electrical device from the environment. The Examiner rejected plaintiffs patent application after determining that use of such a seal in Eagle's collet assembly would have been obvious in light of the Linyeav patent- In response to these rejections, Eagle sought to distinguish the seal used in its collet assembly from the 0-rings used in Linyeav. To this end, Eagle described its collet assembly as a three component structure with a seal located between a front cap and a rear insert body. It also stated the prior art does not reference "the particular position of the O-ring as presently claimed." See Burr Aff. Ex C at C-0071. With this statement, plaintiff distinguished the use of a seal in its collet assembly from the prior art by specifically placing the-seal between the front cap.-and rear insert body. Furthermore, in making this distinction, Eagle implicitly surrendered any claim over devices that use an

O-ring in the manner described in the Linyeav patent.

In the instant case, the Arcom filters use an O-ring which is seated in a groove in a similar manner to that described in the Linyeav patent. These filters do not use a seal positioned in the same manner described in the '494 patent. For this reason, these devices fall within the expanse of claims surrendered by Eagle during its attempts to distinguish its collet assembly design from the prior art. Therefore, it is clear that the prosecution history of the '494 patent completely estops plaintiff from asserting claims under the doctrine of equivalents. Since the litigants agree that Arcom's filters do not literally infringe upon the '494 patent, summary judgment is appropriate and plaintiff's claims are dismissed

D. Fees and Costs

Defendants seek attorneys' fees and costs associated with their defense of plaintiffs claims. They contend that an award of fees and costs is warranted pursuant to 35 U.S.C § 285, where an infringement action is brought without an apparent basis. Furthermore, Arcom insists that plaintiff's claims under the doctrine of equivalents was utterly baseless and, therefore, defendants are entitled to reasonable fees. The court disagrees. Although summary judgment is appropriate herein, plaintiff had a legitimate basis for bringing the instant infringement claims. Therefore, defendants' motion for fees and costs is denied.

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E. Preliminary Iniunction

Finally, the court notes that plaintiff previously sought a preliminary injunction. Since plaintiffs claims have been entirely dismissed. its motion for a preliminary injunction is denied as moot.

WHEREFORE, for the foregoing reasons, it is hereby

ORDERED, that defendants' motion for summary judgment is hereby GRANTED and the complaint is hereby DISMISSED. It is further

ORDERED, that defendants' motion for attorneys' fees and costs is DENIED. It is further

ORDERED, that plaintiffs motion for a preliminary injunction is DENIED as moot. It is further

ORDERED, that the Clerk of the Court shall serve a copy of this Memorandum-Decision and Order upon the parties by regular mail.

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Dated: July 2001
Syracuse, New York

HOWARD MUNSON
SENIOR U.S. DISTRICT
JUDGE